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OFFICE OF THE
EXECUTIVE SECRETARY

September 5, 2000

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Attn: David Waddell
Tennessee Regulatory Authority
460 James Roberson Pkwy
Nashville, TN 37243

Subject: Concern with CSA between Lexus of Nashville and Bellsouth.

I am writing this letter to express concerns regarding the CSA between Lexus of Nashville and Bellsouth. After I came aboard with Lexus of Nashville as the E-commerce Director I began inquiries into the way we were doing business as a whole to include telecommunications, data transport, and website related issues. After looking at Lexus of Nashville's contract regarding PRI lines delivered to the dealership I was very disappointed to see that Bellsouth had locked us into a 49-month contract knowing that at that time in 1998 there was a wide selection of LEC's offering extremely competitive pricing. During the contract negotiation phase between Lexus of Nashville and Bellsouth we were told that the pricing for services was not a negotiable issue. I believe that Bellsouth knowingly and without disclosing the competitive alternatives available engaged Lexus of Nashville into a long-term arrangement so that in the future we would not be able to price shop their competition and if we did, termination penalties would be so stiff that we would have no choice but to stay with our current service.

Secondly I feel that Bellsouth has made it extremely difficult for us to change carriers when there is extremely competitive pricing going on in today's telecommunications market. By today's standards in pricing from competition we are currently paying over 2 times more than we should be. This mentality is extremely punitive in nature when you think about it. I believe if there were lighter penalties involved in changing services that carriers would work much harder to keep customers. We were told that to terminate and choose another carrier we would have to pay over \$23,000.00 dollars in penalties. In my mind this is not a fair compensation since during our 26 months of getting dial tone from Bellsouth we have become more and more disgruntled from the quality of service we have received. It has gotten to a point that numerous entities within Bellsouth have come to our place of business, and have told me personally they would do whatever it takes to keep us as a customer knowing that we were extremely dissatisfied with our situation.

I feel that in today's market with it's wide selection of telecommunications providers customers should not be locked into long-term CSA's, nor should they be penalized so harshly when the only thing that they want and expect is first rate service from their provider, something we have not experienced since the beginning of our contract. I also think it is extremely important to consider the level of education potential customers of Bellsouth's had back in 1998. Most customers were not educated or informed of the developing competitions arising during that time so they would not have considered a viable alternative to Bellsouth.

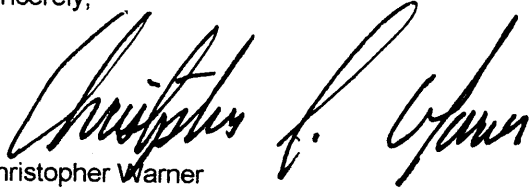
I would also like to express a certain amount of dissatisfaction towards the way that TRA has looked out for the well being of businesses during an explosive time of telecommunications growth. I feel TRA should look to shoulder some of the responsibility in

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having not ensured that Bellsouth and other LEC's were disclosing the punitive nature of long-term agreements when surely pricing would become extremely competitive. I would expect TRA would ensure some kind of retroactive judgment for businesses that are in the same dilemma as Lexus of Nashville.

In closing I would ask that a copy of this letter be attached to the CSA rulemaking docket and if need be I would personally come and give testimony regarding this injustice to the oversight committee.

Sincerely,

A handwritten signature in black ink, appearing to read "Christopher L. Warner". The signature is fluid and cursive, with the first name "Christopher" being the most prominent part.

Christopher Warner
E-commerce Director
Lexus of Nashville

cc:

Charlie Howorth
Vice President
Bellsouth
333 Commerce Street
Nashville, TN 37201-3300